

Northampton County County-Wide Housing Rehabilitation Program

Frequently Asked Questions

What is Northampton County's County-Wide Housing Rehabilitation Program?

This program could provide you with a loan to complete repairs to your home, if you live in Northampton County outside of the city limits of Easton and Bethlehem. You would not be responsible to pay for the repairs until you moved out of your home, transferred ownership to another person, or turned it into a rental property. At that time, a portion of your loan would be due back to Northampton County to replenish the fund for future homeowners. It is a "zero-interest" loan, so you would not have any interest payments. There also are no application fees, closing costs, or other charges associated with the loan.

The cities of Easton and Bethlehem both have their own funds to run the same type of home repair program for their residents. If you live within Easton city limits and need home repairs, you can call the city at (610) 250-2071. If you live within Bethlehem city limits and need home repairs, you can call the city at (610) 997-7095. Both the Easton and Bethlehem programs are separate from the Northampton County County-Wide Housing Rehabilitation Program. They may be run a bit differently, but offer similar services.

If you have an Easton or Bethlehem mailing address, but live outside of the Easton or Bethlehem city limits you are eligible to apply to the Northampton County County-Wide Housing Rehabilitation Program. This includes the municipalities of Forks Township, Palmer Township, Wilson Borough, Glendon Borough, West Easton Borough, Williams Township, Bethlehem Township, Freemansburg Borough, and Hanover Township.

What are the income limitations for this program?

We can only serve households whose income is below 80% of the area median income. This means that, when we add up the income from everyone who lives in your house, this number must be below the 80% area median income figure. The federal government calculates this figure, and it changes from year to year. Unfortunately, if your household is over these income limits, you are not eligible for the program. The federal government sets the income limitations, and neither CACLV nor Northampton County can make any exceptions.

What kinds of repairs can we make to your house?

Our program covers the cost of repairing any substandard items in owner-occupied homes. As a blanket policy, we can do work that meets one of the following purposes:

- Removal of health and safety hazards from your home.
- Updates to bring your home up to the building codes enforced by your borough or township.
- Repairs to broken, worn-out, or poorly functioning systems, components, and equipment in your home.



Northampton County County-Wide Housing Rehabilitation Program

In general, we can normally do the following types of work in most cases. (Please note that the specific work to be done to a home is determined on a “case-by-case” basis.)

- Elimination of hazards caused by lead-based paint, asbestos-containing materials, and mold in the home.
- Repairs to any gaps, holes, cracks, or deterioration in foundations, roofs, exterior walls, doors, or windows that might allow weather, water, or pests into your home.
- Repairs to damage caused by current or past water leaks, weather conditions, or pests.
- Repairs to minor framing or structural issues.
- Repairs to leaky, broken, or “slow” plumbing.
- Repairs to poorly-working heating systems, including furnaces, boilers, heaters, thermostats, and ductwork.
- Repairs to unsafe, broken, or antiquated electrical wiring or equipment. Updates to “overloaded” circuits likely to cause an electrical hazard.
- Repairs to poorly functioning doors, windows, and associated hardware.
- Installation and/or replacement of smoke and carbon monoxide detectors in all locations required by code.
- Removal of “trip and fall” hazards from floors, interior and exterior stairs, or decks attached directly to the home. Installation of handrails and guardrails at interior and exterior stairways.
- Any repairs not listed above necessary to bring your home in compliance with the Minimum Housing Quality Standards or building codes.

We can sometimes do the following types of work. However, we need a note from your doctor or an appropriate social service agency, saying that the work is necessary for your well-being due to a health condition.

- Repairs, replacement, or installation of air conditioning systems and components. (If your house already has central air and it is not working well, the program still cannot do any work to it without a doctor’s note.)
- Installation of handicap ramps.
- Widening of doors.
- Installation of handicap toilets, specialty plumbing fixtures, or “roll-in” showers.
- Installation of smoke detectors for the hearing impaired.
- Lowering of light switches.

We are unable to do the following types of work. However, if you want any of these types of work done and have the money to pay for them, you are allowed to pay our contractor to complete the work while they are in your home.

- Work that is purely for visual or cosmetic appeal. We will not replace interior or exterior finishes that are in good shape and do their job properly, even if they are dated, out of style, or no longer to your taste.
- Landscape work, unless it is necessary to remove lead-based paint hazards in the soil around your home or redirect water runoff away from your home’s foundation.
- Repairs to detached garages, sheds, fences, swimming pools, or other structures located on your property but not connected to your home.
- Construction of additions to your home, or changes to your home’s floorplan.



Northampton County County-Wide Housing Rehabilitation Program

- Luxury upgrades or items. Where new materials are installed, we will select a good quality, “mid-grade” material from a reputable manufacturer.
- Repairs or replacements to household appliances. The only exception may occur if your home lacks a working stove or refrigerator and the budget allows.
- Repair or installation of cable or satellite television, phone, or Internet service.
- Repair or installation of home security systems.

Who funds the program?

The present funder for this program is the U.S. Department of Housing and Urban Development (HUD), which has granted Northampton County money through a Community Development Block Grant (CDBG).

What are the terms of the loan that pays for the repairs?

While the cost of the repairs will not cost you anything up front, you will remain responsible for repaying some portion of the loan whenever you either choose to sell your home or pass it on to your heirs. Here are the basic terms of the *partially*-forgivable loan:

- The loan is **zero interest**. This means you will only have to pay back the principal, with no interest payments. There are also **no closing costs or fees** associated with the loan.
- Your **credit score has no effect** on this loan. We will not pull your credit report at any time.
- There is no need to make regular payments on the loan. You can also **repay the loan early** at any time, either in part or in full, with no penalty.
- Repayment is **not due back** until you sell your home, transfer title to another owner or one of your heirs, turn your home into a rental, or no longer use your home as your primary residence.
- The loan is **partially forgivable** over time. This means you will have to pay back **some, but not all**, of the money we loan you.
 - At the time the loan is signed, the first **10%** of the cost of the repairs **is forgiven**. You will never be responsible for paying back more than **90%** of the loan amount.
 - On the **6th year anniversary** of your loan, another **40%** of total cost is forgiven. At this point, you would only be responsible for paying back **50%** of the loan amount.
 - On the **10th year anniversary** of your loan, another **25%** of the cost is forgiven. At this point, you would only be responsible for paying back **25%** of this loan amount.
 - The loan amount **will never** go completely away.

Please feel free to contact our staff with any questions about the loan terms.



Northampton County County-Wide Housing Rehabilitation Program

How long will I wait on the waiting list?

We regret that we are unable to provide time estimates. We are required to answer all inquiries in the order they are received. Due to this fact, we unfortunately cannot provide immediate assistance with emergency or unexpected home repairs. Some emergency repairs, such as those directly caused by inclement weather, may be covered by your homeowners' insurance.

What is the application process like?

When you meet with us for their initial application appointment, the first thing we must do is make sure your household falls within income limits. With this in mind, please bring the following documents for all members of your household with you at your first meeting with us.

- Income documentation from **all** members of your household. This includes pay stubs for the past two months, social security or disability award letters, statements of unemployment compensation, etc.;
- Federal income tax returns including all schedules and W-2 forms for the last 2 years;
- Verification of child support or alimony;
- The past six (6) months of all checking amount statements, and the past two (2) months of savings account statements;
- Proof that property taxes are current (includes local, county, & school tax);
- Driver's license or other I.D.
- Proof of current home owner's insurance.

Besides making sure you meet income guidelines, we must also make sure that we can afford to do the repairs on a home. After your initial application appointment, our construction manager will visit your home. He will complete a walk-through to identify all health, safety, and code issues in your home. When the work is complete, your home must meet the Minimum Housing Quality Standards. If the cost of these repairs exceeds the \$20,000 cap, we will be unable to proceed with your application.

What happens once I am approved?

After we have confirmed that both you and your home are eligible for the program, we will write a "scope of work." This document will describe all the work a contractor would need to do to fix the health, safety, and code issues in your home. We will work closely with you so the scope may be to your satisfaction. The scope of work will then be bid out to a list of general contractors who we know to do good work. The construction manager will schedule a pre-bid walk-through with you. This meeting will give interested contractors a chance to see the items in need of repair, and ask both us and you questions about specific items.



Northampton County County-Wide Housing Rehabilitation Program

At the date and time bids are due, we will open and thoroughly review them. We will identify the contractor who provided the lowest bid, and make sure they followed directions and understood all items in the scope of work. The lowest bidder who meets these two criteria will be considered the “lowest qualified bidder,” and Northampton County will fund your repair loan in the amount of their bid. You can choose one of the higher bidders, but you will be responsible for covering the gap between their price and the low price.

When it is time for the work to begin, you will sign your repair loan paperwork and the construction contract with the contractor at the same time. Once you sign a paper called “Notice to Proceed,” the contractor can begin working on your house. The contractor will be provided with thirty (30) days to “mobilize,” or complete all preparations for the job, and sixty (60) days to complete the work. On behalf of Northampton County, we will pay the contractor directly for their work.

Our staff will keep in close touch with both you and the contractor throughout the work. We will routinely inspect the contractor’s work to make sure it is of high quality. If any materials used come in multiple colors, designs, or styles, you will be given the opportunity to select your preferred choices. The construction contract will allow the contractor to get paid at certain points during the job. Once the contractor reaches one of these points, the construction manager will inspect their work. You and our staff must sign off to accept the contractor’s work and authorize payment.

The specific work items, materials, and costs are “set in stone” when the construction contract is signed. (If the contract says you will receive new windows, repairs to your boiler, and a handrail on your stairs for \$14,000, you can count on receiving exactly these work items for exactly this loan amount.) This is meant to provide you with a clear understanding of what specific work the contractor is required to complete, and what your loan amount will be.

Once the job starts, there are some circumstances where it is appropriate to add work to the scope. This usually occurs because you request additional work, or the contractor discovers “hidden conditions” in the course of their work. If work needs to be added, we help the contractor put together what is known as a “change order.” We will ask the contractor to provide a proposed price for the needed work items, and confirm that the contractor’s price is reasonable. You, our staff, and the contractor will then all sign the change order. The change order cost will be added to your repair loan amount. As usual, all change order work will be inspected, with signatures required for payment as described above. The contractor will not be able to request extra money for the work unless everyone agrees to it ahead of time through this change order procedure.

When the contractor says that everything is done, we will inspect the work. You should be there to point out any final concerns that you might have. After that inspection, a list will be made of all the things that the contractor must do to get the final payment. Once this work is done, you will sign a paper stating that the work is complete. If there were any change orders, you will also sign updated repair loan paperwork as described above. Once construction is all complete, you will have a one-year warranty period on all work done by the contractor.



Northampton County County-Wide Housing Rehabilitation Program

Who manages the program?

This program is managed by Community Action Committee of the Lehigh Valley (CACLV), a nonprofit based in Bethlehem, Pennsylvania. If you have any questions about the program, please feel free to email us at mhandzo@caclv.org. You can also leave us a voice message at (610) 691-5620. When leaving a message, please tell us your name, phone number, home address, and the best time to call you. We will call you back within less than a week.

Are there other programs available?

Yes. There are at least three different programs that you may also qualify for. Please note that these programs are not affiliated with CACLV or the Northampton County County-Wide Housing Rehabilitation Program, and that we have no decision-making authority over these programs.

- 1) Loans and/or grants are available from the USDA if you live in an area that the USDA considers rural. Owners 62 years old or older may qualify for grants up to \$7,500. Owners younger than 62 years old may qualify for a repair loan at a low interest rate. Income restrictions apply.
- 2) Anyone in Northampton County may qualify for a Keystone Renovate & Repair Loan from the Pennsylvania Housing Finance Agency (PHFA). Even if you do not have equity in your home you may still qualify. Call 1 (800) 822-1174 for more information or for a referral to PHFA's local contact.
- 3) Community Action Committee's Weatherization Program may be able to provide additional assistance if you are below their income guidelines. Call (610) 691-5620 and ask about getting weatherization services.

Please do not hesitate to contact us if you have any questions. Email Coordinator Mike Handzo at mhandzo@caclv.org or leave us a message at (484) 893-1061.

We look forward to serving you!

DISCLAIMER: *This packet, or any other informational material, phone call, or visit provided during your contact with the Northampton County County-Wide Housing Rehabilitation Program, is not meant as a determination of your eligibility for the program. It also does not create any obligations for us to complete any repairs to your home. We will not be held responsible for the completion of any repairs to your home other than those specifically written out in a construction contract and signed by you, us, and a general contractor. Verbal information from our staff or our contractors is meant for informational purposes only.*



Northampton County County-Wide Housing Rehabilitation Program

Current Income Guidelines

In order to qualify for the Northampton County County-Wide Housing Rehabilitation Program, the total household income of **everyone** living in your house must be **less** than the following amounts:

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| 1 Person Household: \$38,600 |
| 2 Person Household: \$44,100 |
| 3 Person Household: \$49,600 |
| 4 Person Household: \$55,100 |
| 5 Person Household: \$59,550 |
| 6 Person Household: \$63,950 |
| 7 Person Household: \$68,350 |
| 8 Person Household: \$72,750 |

Other Sources of Home Repair Assistance

Besides this program, if you live in an area that the United States Department of Agriculture (USDA) considers “rural,” you may qualify for another program. Owners **62 years of age or older** may qualify for grants up to \$7,500. Owners younger than 62 years old may qualify for a repair loan at a low interest rate. For more information, you can call USDA’s Allentown office at (610) 791-9810 and ask about the “Section 504 grant and loan program.”

If you make significantly **less money** than what is listed above, you may also qualify for assistance through Community Action Committee of the Lehigh Valley’s Weatherization Program. Call (610) 691-5620 and ask about getting weatherization services.

If you make **more money** than what is listed above, you may still qualify for a Keystone Renovate & Repair Loan through the Pennsylvania Housing Finance Agency (PHFA). Call 1 (800) 822-1174 for more information or for a referral to PHFA’s local contact.

NOTE: *We are offering you information about these other programs for informational purposes only. None of these programs are affiliated with us, and our staff are not representatives of these programs. We have no decision-making authority over any of these programs. If you are interested in learning more, we encourage you to contact these programs directly.*



Were you treated fairly?

This program has a formal appeal process, which is meant to protect you from being unjustly denied service. This program must be administered in accordance with the laws, rules, and regulations set forth by the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant Program for Entitlement Jurisdictions.

If you believe that your household met all relevant laws, rules, and guidelines governing this Program and you were denied services or consideration under this Program unjustly, a written appeal must be delivered within thirty (30) days of the denial of service.

Your appeal must describe:

- 1) the complaint,
- 2) the reason why you believe the appeal is warranted,
- 3) your legal mailing address.

Your appeal should be mailed to:

Community Action Committee of the Lehigh Valley
Attn: Mike Handzo, Project Coordinator
1337 East Fifth Street
Bethlehem, PA 18015

The Project Coordinator will review the complaint and respond in writing within thirty (30) days.

If you are dissatisfied with the response from the Project Coordinator, a written complaint can be directed to the Northampton County Department of Community & Economic Development (DCED), 669 Washington Street, Easton, PA 18042. The County will review the complaint and respond in writing within thirty (30) days. Contact information will be provided for the appropriate Program Manager at HUD's Philadelphia Region 3 Office in this response in the event that you are dissatisfied with the responses of both the Project Coordinator and the County.